

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:1822

ANSWERED ON:07.03.2000

PRODUCTION OF UREA

A. VENKATESH NAIK;C.P. RADHAKRISHNAN;RAMCHANDRA VEERAPPA;SHEESH RAM SINGH RAVI;SRIKANTA DATTA
NARASIMHARAJA WADIYAR;SURESH RAMRAO JADHAV (PATIL);UMMAREDDY VENKATESWARLU;VENKATA KRISHNAM
RAJU UPPALAPATI

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether the Government have decided to put ban on setting up of new projects for three years;
- (b) if so, the reasons therefor;
- (c) the extent to which it affect the public and cooperative sector projects;
- (d) the extent to which the country is likely to face shortage of urea during the next three years;
- (e) whether imported urea is available at the cheaper rates than the subsidised urea being produced in the country;
- (f) if so, the reasons therefor; and (g) the steps taken by the Government to ensure adequate supply of Urea to the farmers all over the country at reasonable prices?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS

(SHRI RAMESH BAIS)

(a) to (c): Government have decided not to encourage new capacities for production of urea in the country till the year 2003-04, over and above the following four projects in the Public/Cooperative sector for which an 'in principle' approval, subject to investment appraisal by Public Investment Board (PIB), has already been accorded:

- i) Expansion of Hazira plant of KRIBHCO in Gujarat.
- ii) A new urea plant to be set up by KRIBHCO at the existing site of FCI's Gorakhpur Plant in Uttar Pradesh.
- iii) Expansion of Thal Plant of RCF in Maharashtra.
- iv) A grassroots urea plant to be set up by IFFCO at Nellore in Andhra Pradesh.

This is on account of the near self-sufficiency, which has been achieved in production of urea and also the assessment of the demand and supply scenario till the year 2003-04.

(d) & (g): The country has achieved near self sufficiency in production of urea. Adequate supply of urea at reasonable and statutorily notified prices to farmers all over the country is ensured through allocations made from different manufacturing units within the country, after assessing the requirement of urea for each state. Any gap between the demand and the indigenous availability of urea to meet the allocation will be met through imports.

(e) & (f): Imported as well as subsidised urea being produced in the country is available to the farmers at the same statutory price fixed by the Government.